

HB 471

EXHIBIT 1
DATE 3/5/15
HB 471

Fact Sheet from Montana League of Cities and Towns

Two facts to consider for approval of HB 471:

- Inflation rate for property tax revenue adjustments in Tax Year 2015 (Fiscal Year 2016) will be:

2012 CPI-U = 1.74% (Dec to Dec CPI-U)
2013 CPI-U = 1.50%
2014 CPI-U = 0.76%
3 yr Average 1.33%

50% of Average = **0.67% is inflation adjustment authorized**
under MCA 15-10-420.

- Response from 49 cities and towns on survey of how much their capped mill rate is and how much the levied mills were:
 - 38 cities and towns levied up to the maximum allowed mill rate.
 - 6 cities and towns levied to within one mill of the maximum allowed rate.
 - 5 cities and towns levied a mill rate that was more than one mill of the maximum allowed rate. Of these 5:
 - One has a resort sales tax that offsets property tax.
 - One experienced abnormal economic boom that included new construction and growth.
 - One was because there had previously been a voter-approved permission to exceed the maximum limitation on mills.
 - One had significant new construction and growth.